

Education and Workforce Development Cabinet
Kentucky's jobless rate
unchanged from January to
February

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Editor's Note: Preliminary February and revised January labor market information are included in this release.

FRANKFORT, Ky. — Kentucky's seasonally adjusted preliminary unemployment rate remained at 10.4 percent from January 2011 to February 2011, according to the Office of Employment and Training (OET), an agency of the Kentucky Education and Workforce Development Cabinet.

The preliminary February 2011 jobless rate is .5 percentage point lower than the 10.9 percent rate recorded in February 2010 for the state. The 10.4 percent rate recorded in February 2011 is the highest rate since May 2010 when it was 10.4 percent.

"Kentucky's unemployment rate held steady in February 2011. The manufacturing sector continued to show signs of strength. Factories are ramping up production as businesses restock inventories and companies undertake capital investments. However, the state economy is weighed down by weakness in the trade, transportation, and utilities, and professional and business services industries," said Dr. Justine Detzel, OET chief labor market analyst.

The U.S. seasonally adjusted jobless rate decreased from 9 percent in January 2011 to 8.9 percent in February 2011, according to the U.S. Department of Labor.

Unemployment statistics are based on estimates and are compiled to measure trends rather than actually to count people working.

Five of the 11 major nonfarm North American Industry Classification System (NAICS) job sectors reported an employment increase in February 2011, while six decreased, according to OET. A decrease of 1,800 jobs in February 2011 brought Kentucky's nonfarm employment to a seasonally adjusted total of 1,780,100. Kentucky's nonfarm employment has grown by 28,900 workers since February 2010.

"This marks the 10th month in a row of year-over-year increases in nonfarm employment. Prior to this, Kentucky suffered 26 consecutive months of year-over-year employment losses," said Detzel.

According to the seasonally adjusted employment data, Kentucky's manufacturing sector expanded by 2,000 jobs in February 2011. Since February 2010, employment in the manufacturing sector has climbed by 9,100 positions.

"The year-over-year job expansion occurred predominantly in the durable goods subsector, which is indicative of automobile parts plants opening and expanding and the openings of various producers from aluminum factories to steel cabinet manufacturers," Detzel said.

Construction sector jobs increased by 1,100 in February 2011. Since February 2010, employment in the construction sector has dropped by 3,300 jobs.

Kentucky's leisure and hospitality sector added 600 jobs in February 2011. Since February 2010, the sector has surged by 6,300 positions. The leisure and hospitality sector includes arts, entertainment and recreation, accommodations and food services and drinking places industries.

"The rise in consumer spending is positively impacting leisure and hospitality establishments as households splurge more on restaurant meals and leisure activities," said Detzel.

Employment in the other services sector, which includes such establishments as repair and maintenance businesses; personal and laundry services; religious organizations; and civic and professional

organizations, increased by 400 positions in February 2011. This sector had 2,400 more positions in February 2011 than February 2010.

The government sector, which includes public education, public administration agencies and state-owned hospitals, rose by 200 jobs in February 2011. The sector has 3,000 more jobs than in February 2010.

Kentucky's trade, transportation and utilities sector lost 4,000 jobs in February 2011. This area includes retail and wholesale trade, transportation and warehousing businesses and utilities. It is the largest sector in Kentucky with 357,700 employees. Since February 2010, the number of jobs in this sector has fallen by 2,000.

"Employment decreases in the trade, transportation and utilities sector in February 2011 occurred predominately at wholesale trade enterprises. Layoffs at a pharmaceutical wholesaler factored into the decline in the number of jobs at wholesale trade establishments," Detzel said.

Kentucky's professional and business services sector declined by 1,100 positions in February 2011. This area includes professional, scientific and technical services; management of companies; and administrative support and waste management, including temporary help agencies. Since last February, jobs in the sector have jumped by 10,500.

"February 2011 represents the first decrease in employment at professional and business services companies since November 2010. The job losses are concentrated in administrative and support enterprises, which is a sign of the end of temporary jobs at call centers," said Detzel.

The financial activities sector dropped by 600 jobs in February 2011. This segment, which includes businesses involved in finance, insurance, real estate and property leasing or rental, has 900 fewer positions than in February 2010.

The educational and health services sector reported a decrease of 200 workers in February 2011. The sector has surged by 3,400

workers since February 2010. This sector includes private and nonprofit establishments that provide either education and training, or health care and social assistance to their clients.

The information sector reported 100 fewer workers in February 2011. This segment, which includes firms involved in publishing, Internet activities, data processing, broadcasting and news syndication, has decreased by 500 positions since February 2010.

Employment in the mining and logging sector dropped by 100 in February 2011. The sector has gained 900 jobs since February 2010.

The U.S. Bureau of Labor Statistics' monthly estimate of the number of employed Kentuckians for February 2011 was 1,884,786 on a seasonally adjusted basis. This figure is up 6,162 from the 1,878,624 employed in January 2011, and up 26,858 from the 1,857,928 employed in February 2010.

The monthly estimate of the number of unemployed Kentuckians for February 2011 was 218,292, down 207 from the 218,499 Kentuckians unemployed in January 2011, and down 8,860 from the 227,152 unemployed in February 2010.

The monthly estimate of the number of Kentuckians in the civilian labor force for February 2011 was 2,103,078. This figure is up 5,955 from the 2,097,123 recorded in January 2011, and up 17,998 from the 2,085,080 recorded in February 2010.

Civilian labor force statistics include nonmilitary workers and unemployed Kentuckians who are actively seeking work. They do not include unemployed Kentuckians who have not looked for employment within the past four weeks.

Kentucky's statewide unemployment rate and employment levels are seasonally adjusted. Employment statistics undergo sharp fluctuations due to seasonal events, such as weather changes, harvests, holidays and school openings and closings. Seasonal adjustments eliminate these influences and make it easier to observe statistical trends. However, because of the small sample size, county unemployment rates are not seasonally adjusted.

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